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Second country cooperation framework for South Africa (2002-2006)

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Introduction

1. The second country cooperation framework (CCF) (2002-2006) for the Republic of South Africa is the culmination of a six-month process, building upon the strategic results framework (2000-2003) as the basis for programming and discussion with partners. The CCF incorporates the recommendations of the June 2001 country review and the views of major partners from thematic round-table meetings convened jointly by UNDP and its government counterparts, the National Treasury and the Department of Foreign Affairs. Partners at the meetings included key government departments, civil society organizations, the United Nations family and bilateral development agencies (from the European Union, Denmark, France, Italy, Netherlands, Norway, Switzerland, United Kingdom and the United States). The views of provincial stakeholders were taken into account through a series of provincial-level consultations. The CCF was drafted by a joint Government/UNDP working group. The National Treasury is to convene programming discussions on the CCF with key national and bilateral partners and stakeholders to mobilize support for the framework.

2. The CCF takes into account the recommendations of the 1999 joint mid-term review of the UNDP, UNFPA and United Nations Children's Fund (UNICEF) country programmes in South Africa, and the three priority areas of the United Nations Development Assistance Framework (UNDAF) to address poverty and inequality: integrated sustainable rural development (ISRDS); HIV/AIDS; and regional integration. The three UNDAF priority provinces — KwaZulu-Natal, Northern Province and Eastern Cape — are the CCF priority provinces for policy application and demonstration. The CCF also focuses on the Northern Province through an ongoing initiative for decentralized governance and sustainable livelihoods. HIV/AIDS programming missions to KwaZulu-Natal, Northern Province and Eastern Cape were undertaken in June and July 2001 by UNDP on behalf of the United Nations theme group on HIV/AIDS. In July 2001, UNDP led the United Nations theme group on ISRDS on a programming mission (UNDP, UNICEF, World Health Organization (WHO)) to provinces and at national level consultations. The CCF and UNDAF programme cycles are synchronized (2002-2006).

I. Development situation from a sustainable human development perspective

A. Development goals and priorities

3. The major issue still driving most discourse in South Africa, almost seven years after the 1994 transition from apartheid to representative democracy, is the need for quick transformation into a multiracial, equitable society. From 1994 to 1998 the Government met this challenge through the Reconstruction and Development Programme (RDP), supplemented in 1996 by the Growth, Employment and Redistribution Strategy (GEAR). The core goal of the Government remains the improvement of the well-being of all South Africans, especially the disadvantaged majority, by reducing poverty and inequality, promoting economic growth, creating employment, and tackling HIV/AIDS. In his State of the Nation address in February 2001, the President of the Republic reiterated the call for a better life for all and emphasized the need to deal with the urgent challenge of poverty.

B. Current problems and challenges

4. The 1995 South African Participatory Poverty Assessment described the reality behind the statistics. It reported that millions of citizens are plagued by continuous ill health, experience extraordinary levels of anxiety and stress (and the accompanying realities of violence and abuse vented mainly on women and children) and perform harsh and dangerous work for low incomes. There is pervasive demoralization and fatalism. A sense of hopelessness and an inability to alter the conditions of life is a defining feature. Yet all this is matched by the courage and perseverance with which South Africa's poor attempt to hold these ravages at bay. He also agreed with the report that poverty is not only expressed in a shortage of food, shelter and clothing, but also through ill health, increased anxiety and stress; a spirit of disempowerment and hopelessness; high crime levels, including violence among the poor themselves, especially against women and children; further entrenchment of discrimination against women; in destructive ignorance and superstition; and the destruction and denial of the human dignity of millions of people. The following analysis is drawn largely from

the common country assessment (CCA), UNDAF, *NHDR 2000*, Resident Coordinator's Annual Report, 2000, a May 2001 in-house review by UNDP South Africa titled "Socio-economic, governance and environmental overview of South Africa and its partnership with UNDP" and from stakeholder consultations and round-table meetings.

Transformation for human development

5. In this second term of South Africa's democratic government, there is clearly a need (a) to review the policies and programmes launched in the mid-1990s, (b) to assess the state of transformation, (c) to evaluate policy coordination and integration and (d) to establish and consolidate systems and structures for policy implementation. To deliver development in an integrated fashion, the Government has created various vehicles and instruments, including the organization of Ministries into clusters, adoption of rural and urban anti-poverty strategies and performance contracts for top civil servants. The challenge is for these vehicles to start showing visible results in a transitional environment. The Government should now be in a position to quantify its achievements, identify the challenges blocking the country's transformation, and devise the means to overcome these challenges. This is a daunting but necessary task.

Governance for poverty reduction

6. The legacy of apartheid left the majority of South Africans without access to basic services and opportunities, which constitutes an overwhelming development challenge for the Government and its partners. Two worlds exist in one South Africa — the "first world", where the living standards compare with those of Canada, and the "third world", which can compare with Congo. According to *NHDR 2000*, South Africa's poverty rate is 45 per cent. This translates into more than 18 million citizens living below the poverty line (pegged at an income of Rands 353 per month, or approximately $44). In rural provinces, the poverty level rises above 50 per cent. The human development index (HDI) varies across the nine provinces, with Gauteng the highest at 0.712 and the Northern Province the lowest at 0.531.

7. The Government has experienced poor delivery on its multi-billion dollar Poverty Relief Fund while disparities are on the increase coupled with massive job losses due to the negative impact of globalization and a slowing economy. Important advances were made by the end of 2000, with over 1 million new houses for poor families, 400,000 new electricity grids allowing over 2 million South Africans to access electricity for the first time in their lives, 127 new clinics, and 412,000 new telephone lines. Free health care was introduced for pregnant women and children under 6 years old. A national social security system has been announced. While land continues to be a contentious issue for South Africa and the region, 917,000 hectares of land was handed to new black owners through a redistribution and restitution process. However, the daunting backlog of poverty and maldistribution of income and wealth continue to haunt the Government.

8. The year 2000 was the first full year of the new governing period, in which South Africa moved decisively from the politics of transition to the consolidation of State power within a representative democracy under the umbrella of the constitution, considered one of the most progressive and gender sensitive in the world. The democratization of governance structures was finalized in December 2000 with the local government elections. The local governance system is regarded as the basis for all development planning and legislation obliges each local authority to produce integrated development plans (IDPs) for service delivery to communities. The capacity to implement development programmes at the national, provincial and local levels remains a major source of concern. Provinces face specific procedural and systemic breakdowns due to the complexity of intergovernmental relationships, issues of provincial autonomy, low skills and capacity, amplified by the ongoing restructuring of local government institutions. Recognizing that the coordination of sectoral activities is a precondition for the efficient allocation of resources and effective delivery, the Government recently launched the integrated sustainable rural development strategy (ISRDS), considered its key initiative for addressing poverty along with the Urban Renewal Programme. The Department of Provincial and Local Government is the driver for poverty reduction through local governance, enabling local level implementation to be linked to IDPs of local authorities.

9. The Constitution embodies a vision of an independent civil society playing an autonomous, critical role but civil society is weakened by a loss of leadership, coping with a changing bureaucracy, and

difficulties in accessing funds. Many non-governmental organizations (NGOs) and community-based organizations (CBOs) have established service-delivery partnerships with the Government. Crime and violence remained high during 1999 and 2000, and a 1999 survey by the *Star* newspaper indicated that crime had worsened. Official statistics indicate a stabilization in crime compared to 1994 levels. The Government's crime-reduction strategy is expected to yield significant results only in the medium to longer term. The Office of the United Nations High Commissioner for Refugees (UNHCR) and the South African Human Rights Commission consider that a high level of xenophobia exists among some South Africans, with a rise in harassment and attacks on foreigners and refugees from African countries. The Government has demonstrated its commitment to tackle racism by hosting the World Conference against Racism, held in Durban from 31 August to 7 September 2001.

HIV/AIDS

10. Social and economic stress has been compounded by the HIV/AIDS epidemic. An estimated 22.8 per cent of the population is infected, with a skew towards women and the poor. HIV/AIDS is impacting heavily on human development, with the human development index (HDI) reflecting a decrease in life expectancy from 65 to 40 years and adversely affecting economic productivity. The impact on poor households is devastating, with growing numbers of child-headed households and about 1 million children under 15 years of age orphaned by AIDS. The Government has adopted the national strategic action plan for HIV/AIDS (2000-2005), which seeks to tackle HIV/AIDS in a multidisciplinary way and to use community mobilization as a key to prevention and care for those afflicted. All government departments have moved rapidly to mainstream HIV/AIDS within their programmes.

State of the environment

11. South Africa is the third most biologically diverse country in the world, and the only one to harbour an entire plant kingdom within its boundaries: the Cape Floral Kingdom. Because of industrial, forestry, agricultural and urban expansion, between 14 per cent and 37 per cent of the country's fauna and flora are listed as threatened. Air and water pollution is increasing, there are water shortages, and South Africa is among the 20 top pollution-emitting countries, thereby contributing to climate change. South Africa's environmental regulatory framework is established through the National Environmental Management Act of 1998. South Africa has ratified the Convention on Biological Diversity (2 January 1995), the Framework Convention on Climate Change (29 September 1997) and the Convention to Combat Desertification (30 August 1997) and is moving to ratify the Biosafety Protocol. In addition, South Africa is supporting international efforts to establish a legally binding instrument to control the discharge of certain persistent organic pollutants. The hosting of the World Summit on Sustainable Development (WSSD, or Johannesburg 2002) indicates South Africa's strong commitment to environment and development. Poverty in South Africa is exacerbated by the erosion of natural capital and population growth, making the quality of life worse for millions of poor people. Environmental concerns therefore need to be fully mainstreamed into national poverty-reduction strategies.

Gender

12. The Government is described as a global leader in promoting gender equality and has made great strides in ensuring that women are appointed to senior positions in the Government and elsewhere. Yet, it is women formerly disadvantaged under the apartheid regime who remain the poorest and most vulnerable in South Africa: 42 per cent of economically active women are unemployed compared to 27 per cent of men, women earn 76 per cent of what their male counterparts earn, 21 per cent of females have no schooling compared to 17 per cent of men, and many more women than men are illiterate. The National Policy Framework for Women's Empowerment and Gender Equality, released in March 2001 by the Office on the Status of Women (in the Presidency), addresses issues such as gender relations, violence against women, poverty, globalization, HIV/AIDS, basic needs, employment, economic empowerment, land and resources, science and technology, political power and legislation.

Regional integration

13. In 2000, South Africa took on a stronger role in advancing democracy, peace and development across the continent, particularly in the Southern African Development Community (SADC) region. The African

Renaissance and policies on African integration are viewed as natural extensions to the consolidation and success of South Africa's own democracy. South Africa has played a leading role in advancing African development through its contribution to the formulation and current operationalization of the New Partnership for Africa's Development (formerly known as the New African Initiative and prior to that as the Millennium African Recovery Plan.

International development cooperation and coordination

14. The Government emphasizes the need for the alignment of aid with national priorities and the ownership of aid coordination. The International Development Cooperation Division in the National Treasury communicates priorities and preferences with respect to Official Development Assistance (ODA) flows, conducts assessments and annual reviews, issues development cooperation reports (DCRs), and operates a programme for strengthening ODA coordination. Further strengthening is expected to improve coordination at the national, provincial and local levels. DCR II clearly indicates how the Government views ODA and how it is to be managed. The Government has with increasing effectiveness linked ODA to national and sectoral priorities as spelled out in the medium-term expenditure framework of approximately $15 billion, which is a rolling multi-year (three-year cycle) planning and budgeting tool linked to national strategies such as GEAR, RDP and five-year macroeconomic strategy cycles. There is a realization that a culture of monitoring and evaluation in general, particularly for capital investment projects, has to be established and enhanced.

II. Results and lessons of past cooperation

15. Based on national development priorities, the reduction of poverty and inequality was the overriding goal of the first CCF (1997-2001) for South Africa focusing on two major programme areas: sustainable livelihoods and promoting sound governance. The results and lessons learned are described in the June 2001 country review report. The most important lesson learned is that to achieve meaningful development impact, development must be understood as a holistic, interlocking process, and that CCF initiatives should take into account and address the broader political, economic and social environment. Further, it is imperative to forge broad-based partnerships with a wide range of stakeholders to make a difference. Special attention also needs to be given to assessing and strengthening the capacity of participating institutions, groups and individuals, with a view to bringing about systemic change. Other lessons learned are that best practices should be compiled and incorporated into initiatives, which should be formulated and implemented in a participatory manner, with realistic outcome and target setting, work planning and review. These lessons will be closely adhered to in the formulation and implementation of initiatives under the second CCF.

16. The country review mission noted that the sustainable livelihoods programme promoted partnerships between civil society and formal government structures through the policy support and advocacy subprogramme, with the national human development report as its flagship for policy dialogue. Other successful initiatives were in small and medium-sized enterprises and labour-intensive public works. The social development subprogramme enhanced opportunities for disadvantaged people by increasing their access to productive assets and housing through self-help. UNDP support in governance concentrated on decentralization, democratization, safety and security. The mission found widespread appreciation of UNDP work on capacity-building for local governance, and in ensuring that a white paper on local government took gender issues into account. The democratization subprogramme assisted in the consolidation of democracy in South Africa. Support to development management was for management courses, disaster management, and production of the development cooperation report. The country review mission concluded that UNDP cooperation had made a significant contribution to South Africa's poverty-reduction and governance efforts, as outlined above.

17. Of the three cross-cutting themes of the CCF — HIV/AIDS, gender and environment — the review found that particular attention was paid to the HIV/AIDS epidemic and, within the United Nations Theme Group on HIV/AIDS, UNDP supported a rapid appraisal of the response to HIV/AIDS and poverty in KwaZulu-Natal Province, and helped the poor and families of people affected by AIDS to cope with the disease. United Nations Volunteers (UNV) specialists

successfully engaged in youth volunteering, microcredit schemes, rural women's rights, and worked as doctors and trainers in the poorer areas of Northern Province. Gender and environmental issues appear not to have been fully mainstreamed in CCF programming.

III. Objectives, programme areas and expected results

18. The Millennium Declaration of halving world poverty by 2015 guides UNDP work in South Africa. *NHDR 2000* calls for the urgent implementation of a shared vision of transformation that improves the lives of the poor majority, fights HIV/AIDS, maintains social stability and builds a nation that is inclusive and non-discriminatory. The second CCF (2002-2006) seeks to help the country to translate some of its political, social and economic transformation policies and strategies into reality to benefit the majority of South Africans, particularly women, who live in poverty-stricken conditions without the benefit of public services or basic governance systems. UNDP will act essentially as a catalyst and facilitator, bringing together diverse partners to dialogue and work with each other, and to bring in ideas, concepts, lessons, expertise and models for governance and development from all over the world. The CCF thus focuses on achieving upstream results through advocacy; policy dialogue; capacity enhancement at all levels; and the development of systems, guidelines and best practices. Gender has been mainstreamed into all the initiatives, particularly with a view to addressing the feminization of poverty. Besides national, provincial and local government authorities, the partners will include civil society organizations, parliamentarians, private sector, United Nations system and bilateral donors. In terms of policy application, UNDP will focus on four of the poorest provinces in the country — Northern, Eastern Cape, KwaZulu-Natal and North-West. Of the nine provinces, Northern Province has the lowest HDI of 0.531 and a human poverty index (HPI) of 28.34. Eastern Cape has the next lowest HDI of 0.596 with an HPI of 23.34, KwaZulu-Natal has the third lowest HDI of 0.602 and an HPI of 21.12, and North-West Province has the fourth lowest HDI of 0.630 with an HPI of 18.37. The national HDI is 0.628 and the HPI is 17.46. This geographic focus and close national and institutional coordination will ensure that all CCF programmes reinforce and complement each other to achieve transformation for human development. The four provinces selected for CCF policy application are not only the poorest but also exhibit high levels of HIV/AIDS and environmental degradation. Geographical concentration will enable UNDP, the Government and other partners to combine and coordinate efforts and resources to demonstrate that the problems of human poverty, HIV/AIDS and environmental degradation can be holistically resolved through decentralized and participatory governance mechanisms. Concentration will also enable the demonstration of qualitatively and quantifiably measurable results.

A. Programme area 1: Transformation for human development

19. There is a national consensus that policies, structures and programmes need to be realigned to meet national and regional transformation priorities. South Africa has evolved into a major player in the context of African integration, particularly in relation to the New African Initiative and in efforts for peace-building and advancing democracy and equitable development across the continent. UNDP contributions to national debates on current development issues will be made through the publication and dissemination of national human development reports as a tool for policy dialogue, consensus-building and advocacy for transformation in South Africa. National dialogue and policy action on human poverty reduction will be facilitated through support for a national poverty-monitoring and evaluation system (South Africa Poverty Watch), including for the Millennium Development Goals of halving poverty by 2015. The Sustainable Human Development Facility will, among others, support the sharing of best practices and learning from around the world and from South Africa. Further, as an input to the discussions on South Africa's vision for its own future, strategic support will be provided through the UNDP-supported initiative, "South Africa 2015: Creating the Future" to the Government and other sectors of society in their efforts to create an integrated vision on future development paths, so as to stimulate consensus and collective action.

20. *Expected results*. The major results expected are:

(a) Increased understanding, debate and dialogue at all levels of society on the need for human

development for transformation, gender equity and poverty-HIV/AIDS interactions; human development concepts incorporated into national policies and increased national budget allocations for poverty and HIV/AIDS reduction; and capacity enhanced of relevant government institutions, national development agencies, civil society organizations and coalitions of non-governmental organizations to support priority transformation areas;

(b) Expanded and timely poverty-monitoring data available for a well-informed dialogue and poverty watch among policy makers and stakeholders, including innovative ways to reduce poverty and HIV/AIDS;

(c) Effective government ownership of the mobilization and management of external resource flows; external assistance and development best practices incorporated into national development priorities and programmes;

(d) Clarity on South Africa's vision of its future and on the steps necessary to achieve that vision;

(e) Increased South African capacity to stimulate innovative, creative and alternative ideas for and approaches to African integration and renaissance, as well as to sponsor catalytic initiatives to promote these ideas and approaches.

B. Programme area 2: Integrated sustainable rural development

21. UNDP support for integrated sustainable rural development is aimed at developing poverty-reduction models in four of the poorest provinces in the country and within them the poorest districts, and within those districts the "nodal points" or geographic areas that have been identified as the most disadvantaged by the national integrated sustainable rural development strategy (ISRDS). These models will be based on the concept of human poverty reduction, which goes beyond income, and includes deprivations in the basic dimensions of human development. With the Government providing the bulk of financial resources required for poverty reduction, the UNDP role is to help to build replicable multisectoral and multi-stakeholder models that can be applied on a nationwide basis for human poverty reduction. A linked strategy is to help the Government to develop management and monitoring systems, structures and implementation capacity for its multi-million dollar Poverty Relief Fund. UNDP will partner with the Government — primarily with the Provincial Premier's Offices, Department of Provincial and Local Government, Independent Development Trust, and the Department of Social Development — as well as with civil society, private sector, United Nations system and bilateral donors in operationalizing the ISRDS. Gender and HIV/AIDS will be mainstreamed into rural poverty-reduction efforts, as also outlined in the new national policy framework for women's empowerment and gender equality, in partnership with the Office on the Status of Women in the Presidency.

22. The entry point for UNDP in rural poverty reduction will be the ongoing work with partners in the provinces. In the Northern and North-West Provinces, UNDP is supporting decentralized governance, sustainable livelihoods and environmental protection in partnership with the Provincial Premier's offices, the Department of Provincial and Local Government, the Environmental Development Agency (national NGO), Norway and Switzerland. These initiatives will be transformed to demonstrate integrated models for participatory poverty reduction and service delivery at the ISRDS nodal points. The poverty-reduction models will emphasize the interaction between poverty and HIV/AIDS and will incorporate concerns regarding the feminization of poverty and the environment. The poverty-reduction and service-delivery models developed at the ISRDS nodal points in the Northern and North-West Provinces will be used as a basis for learning and replication in KwaZulu-Natal and Eastern Cape Provinces. An integrated development framework will be developed for the Eastern Cape Province in partnership with the Premier's office, the Eastern Cape Socio-economic Consultative Council, the Eastern Cape Development Corporation and other partners. Eastern Cape has requested support for monitoring and implementation of the Poverty Relief Fund (operated by the Provincial Department of Welfare) to reverse its underdelivery. The Northern and Eastern Cape Provinces have requested support for the coordination of donor initiatives.

23. *Expected results*. The major results expected are:

(a) International best practices disseminated on rural poverty reduction and decentralized governance;

(b) Policy advice provided for an empowerment strategy for the most local of communities to plan,

implement and monitor their own development as building blocks to achieve national rural development and poverty reduction goals;

(c) Capacities strengthened of national agencies, municipalities, districts and provinces for participatory development management and coordination, including effective implementation of the Poverty Relief Fund, and structures, systems, guidelines, manuals, training modules and indicators in place for integrated development planning addressing the full range of issues affecting local communities (including human rights, good governance, empowerment of women and girls, HIV/AIDS, poverty, local economic development, employment, sustainable livelihoods, microcredit, tourism, environmental protection and information and communication technology);

(d) Poverty-reduction models developed in four of the poorest provinces in the country, with gender, HIV/AIDS and environmental priorities fully mainstreamed;

(e) An integrated development framework developed for the Eastern Cape Province;

(f) Gender-mainstreaming capacity developed in the provinces and gender focal points empowered to contribute to rural poverty-reduction efforts.

C. Programme area 3: Holistic response to HIV/AIDS and poverty

24. HIV prevalence is higher among poor people. There is also mounting evidence that there is an interplay between human poverty and HIV/AIDS in which poverty increases vulnerability to HIV/AIDS and the epidemic worsens poverty and exacerbates inequality. Recognizing this strong correlation, UNDP support is aimed at contributing towards efforts to reduce the incidence of both HIV/AIDS and poverty by addressing those factors and circumstances (particularly the feminization of poverty) that reinforce this interplay and its impact on human development. UNDP support is being provided, through the United Nations theme group on HIV/AIDS, to develop holistic provincial HIV/AIDS and poverty-reduction strategies and to build critical institutional and human capacity to implement the strategy through local development plans in selected municipal demonstration and Integrated Sustainable Rural Development Strategy learning nodes in three priority provinces, namely KwaZulu-Natal, Eastern Cape and Northern Provinces. Denmark supports the provincial strategies as a partner and Japan supports a demonstration node in KwaZulu-Natal. Civil society, community-based organizations, parliamentarians, local authorities, traditional leaders and the private sector are strategic partners in the fight against HIV/AIDS. The principle of the Greater Involvement of People Living with HIV/AIDS (GIPA) is being promoted in the management of the epidemic, primarily by mobilizing private sector cooperation in the workplace. GIPA is an example of how to address the issue of denial and the related consequences of stigma and discrimination that continue to fuel the epidemic. Resource mobilization for all HIV/AIDS initiatives under the CCF will be actively pursued.

25. *Expected results*. The major results expected are:

(a) Society-wide awareness, policy dialogue and support generated for cohesive, scaled-up strategic action at national and local levels to deal decisively with the issues and impacts of the interrelationships between HIV/AIDS, poverty and human development;

(b) Holistic provincial strategies developed to respond to HIV/AIDS and poverty through the local government development planning system, starting at the local community level;

(c) Strengthened local community, municipal and district capacities and services for programme implementation, monitoring, and learning by doing, including capacities of a community volunteer corps and facilitators to support communities in participatory processes and implementation activities;

(d) A local community development fund (pooled with Poverty Relief Fund resources), created by provinces to provide a single funding envelope for community development plans, particularly for the HIV/AIDS and poverty components;

(e) People living with HIV/AIDS empowered with professional and personal skills, enabling them to assist in the development and implementation of HIV/AIDS workplace policies and programmes;

(f) Noticeable reduction in new infection rates among key vulnerable groups, communities and districts and increased longevity among HIV positive groups;

(g) Clear signals of acceptance and support mechanisms for the HIV positive groups through longer, dignified lives; increase in community support and services.

D. Programme area 4: Environment and development

26. In South Africa there is a consensus that the Millennium Assembly's goal of halving world poverty by 2015 should guide all environment and development policies, strategies and initiatives. UNDP South Africa will support the environment-poverty interface through a combination of support to local, national and global initiatives, including to the World Summit on Sustainable Development (WSSD/Johannesburg 2002) in close partnership with the Department of Environment Affairs and Tourism, the Department of Foreign Affairs, Provincial Governments, the City of Johannesburg, bilateral partners, NGOs, private sector and local communities in towns and villages. UNDP South Africa has been designated as the United Nations focal point for WSSD in South Africa. Through its initiative "Towards Johannesburg 2002", UNDP will reinforce South Africa's efforts to advocate for a global effort for integrated poverty reduction, environmental protection and sustainable development. UNDP will work closely with stakeholders to ensure that poverty reduction is woven into the fabric of the national strategy for sustainable development (NSSD), lessons are incorporated from participatory environmental protection, poverty and HIV/AIDS reduction models and best practices, and linkages with other national sustainable development initiatives such as the integrated sustainable rural development strategy and the urban renewal programme are taken into account. South Africa is taking a unique approach to the formulation of the NSSD, in that it will be the end result of national preparations for WSSD. The first draft of the NSSD is expected to be ready before Johannesburg 2002.

27. The global environment will be protected through conservation and protection of local and regional environments of global significance, in partnership with the Global Environmental Facility (GEF). Community-based resource management initiatives for sustainable livelihoods will be supported through a small grants programme consisting of three windows: green, brown and blue — essentially encompassing biodiversity protection, air pollution, water protection and the urban environment. This will be done in partnership with the global Local Initiative Facility for the Urban Environment (LIFE) and the GEF Small Grants Facility, civil society organizations, private sector, local communities and bilateral partners.

28. *Expected results*. The major results expected are:

(a) Consensus reached on a national position for WSSD through a multi-stakeholder participatory process at the national and local levels; environmental governance, poverty-environment linkages, gender equity, HIV/AIDS reduction and indigenous knowledge issues and priorities incorporated into the National Agenda 21 report;

(b) "Greening of WSSD" demonstrated through environmentally friendly technologies such as electronic accreditation; low-emission vehicle transportation for delegations; and recycling — leaving a "WSSD legacy";

(c) Integration of sustainable development, poverty alleviation and HIV/AIDS reduction documented at the policy, programme, project and community levels through success stories, best practices, national competitions and "Johannesburg 2002 awards"; and important role demonstrated of communities, women, indigenous people and indigenous knowledge systems in protecting the rural and urban environments, reducing poverty and HIV/AIDS and maintaining sustainable livelihoods;

(d) National strategy for sustainable development (NSSD) prepared, including: an updated National Agenda 21; Biodiversity Strategy and Action Plan; Tourism Master Plan; GEF medium and long-term Strategies; and environmental dimensions incorporated into national poverty-reduction strategies (such as the integrated rural development strategy and the urban renewal programme) and local governance policies;

(e) National human development report published on the challenges of sustainable development;

(f) Government, civil-society and private-sector capacities strengthened and policy advice provided to integrate local, national, regional and global sustainable development objectives into NSSD and international agreements;

(g) National capacity strengthened for co-management among national statutory authorities, NGOs and local communities, in the fields of climate change and biodiversity; important global biodiversity hotspots preserved, such as the Wild Coast and the Cape Floral Kingdom;

(h) Integrated development planning and implementation demonstrated in international water ecosystems;

(i) Significant reduction in biodiversity losses and greenhouse-gases emission rates.

IV. Management arrangements

A. Management of the country cooperation framework

29. The International Development Cooperation Division of the National Treasury and the Department of Foreign Affairs will remain the main UNDP counterparts for programme coordination and management. As guiding principles, the Government and UNDP will encourage the broad-based participation and ownership by major stakeholders and groups and promote the use of results-based management throughout the programming period. National execution will be the preferred mode of programme implementation based on capacity assessments, and United Nations agency execution will remain an option. Direct execution may also be used should use of the modality be expanded. Where UNDP is heavily involved in supporting national execution through direct payments and other support, arrangements will be made for full cost recovery. UNDP will facilitate the development of national execution through national capacity-building for programme and project management, including design, work planning, implementation, monitoring, evaluation, auditing, accounting and reporting. General training and learning courses for staff provided by the Government, UNDP and other partners will be supported through the sustainable human development Facility for Programme Development and Management. Other targets include the development of national execution, capacity-building and a study of national execution in South Africa as an input to future programming. UNV volunteers will be mainstreamed as a critical source of expertise in all CCF initiatives. The programme approach will be consolidated and improved. Increased attention will be paid in programmes and projects to institutional capacity-building, replicability and sustainability, and best practices, research and lessons from South Africa and elsewhere will be built on. Knowledge networking and learning will be important for ensuring the success of the CCF.

B. Linkages with intercountry programmes

30. Linkages and synergy with the UNDP regional cooperation framework will be developed, particularly in poverty reduction, HIV/AIDS, sustainable development and African integration.

C. Monitoring, review and evaluation

31. Programmes and projects will hold inception workshops and be managed through steering committee (maximum three per year) or annual tripartite review meetings to increase project effectiveness and to review project design. Participation in these meetings, which will provide a forum for policy advice and substantive monitoring of initiatives, will contribute to capacity-building in project design, appraisal, monitoring and evaluation. In addition, technical staff will meet on a regular basis to sort out routine operational matters, and only policy-level issues will be brought before steering committee or tripartite review meetings. Wherever possible, monitoring, review and evaluation will be thematic and results based, rather than project based, and will be carried out by independent expert teams through field visits, surveys and interviews with stakeholders and beneficiaries. Evaluation findings and recommendations will be reported to stakeholders and will be incorporated into the annual and mid-term CCF reviews. Outcome evaluations, annual programme reviews and results-oriented annual reports will be the key building blocks for CCF monitoring and evaluation. A flexible approach will enable modification of the CCF in the light of experience gained and changing circumstances.

D. Resource mobilization strategy and targets

32. UNDP core funding will be used to leverage non-core resources from government, bilateral, private sector and other partners. A partnership and resource mobilization strategy will be prepared and implemented to raise resources to support South Africa's transformation agenda. The Government will ensure that national in-kind and cost-sharing contributions will be made to finance local inputs and to meet core resources on a 1:1 ratio. Reflecting its strong commitment to its partnership with UNDP, in 2001 the Government made a voluntary contribution of $118,750 to UNDP regular resources, and its first cash contribution towards government local office costs amounted to $296,600. The resource mobilization targets in the annex estimate the total core and non-core resources expected to be available to support the four CCF programme areas and related initiatives.

Annex

Resource mobilization target table for South Africa (2002-2006)

Source	Amount (In thousands of United States dollars)	Comments
UNDP regular resources		
Estimated TRAC carry-over	6 195	Includes AOS.
TRAC 1.1.1 (estimated only)	2 352	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS/DAS	300	
Subtotal	**8 847**[a]	
UNDP other resources		
Government cost-sharing	3 000	
Third-party cost-sharing	10 000	
Funds, trust funds and other	14 400	
	of which:	
GEF	13 000	
Capacity 21	400	
Human Resources Trust Fund (Japan)	1 000	
Subtotal	**27 400**	
Grand total	**36 247**[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.
Abbreviations: AOS = administrative and operational services; DAS = Development Assistance Facility; GEF = Global Environment Facility; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core.